



**Ronald van der Leeden**  
Director  
Regulatory Affairs

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June 21, 2018

Advice No. 5312  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: May 2018 Standby Procurement Charges**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its tariff schedules, applicable throughout its service territory, as shown in Attachment A.

**Purpose**

This routine monthly submittal updates the Standby Procurement Charges in Schedule No. G-IMB for May 2018.

**Background**

Resolution G-3316, dated May 24, 2001, and Advice No. (AL) 4133, submitted on July 2, 2010 and effective on August 1, 2010, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 8% tolerance band. AL 5179, submitted on August 28, 2017 and effective October 1, 2017, revised the Schedule No. G-IMB Standby Procurement Charge by replacing the "InterContinental Daily Indices – SoCal Border" with "SNL Energy's Daily Indices – SoCal Border." The Standby Procurement Charges are:

1. Calculated at 150% of the highest daily border price index at the Southern California border for the period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.208¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGL's Daily Gas Price Index - Southern California Border Average" and "SNL Energy's Daily Indices - SoCal Border."

2. Calculated for a period that begins from the first day of the “flow month” (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.
3. Posted at least one day in advance of the imbalance trading period.

### **Information**

For the “flow month” of May 2018 (covering the period May 1, 2018 to June 20, 2018), the highest daily border price index at the Southern California border is \$0.27380 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.41336 per therm for noncore retail service and all wholesale service, and \$0.41278 per therm for core retail service. The work paper showing details of the calculation of these rates is incorporated herein as Attachment B.

### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received within 20 days of the date of this Advice Letter, which is July 11, 2018. There is no restriction on who may submit a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). A copy of the protest shall also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Ray B. Ortiz  
Tariff Manager - GT14D6  
555 West Fifth Street  
Los Angeles, CA 90013-1011  
Facsimile No.: (213) 244-4957  
E-mail: [ROrtiz@semprautilities.com](mailto:ROrtiz@semprautilities.com)

**Effective Date**

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B. SoCalGas respectfully requests that the tariff sheets submitted herein be made effective June 21, 2018, the date submitted, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is June 25, 2018.

**Notice**

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list. Address change requests to the GO 96-B service list should be directed via e-mail to [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com) or call 213-244-2837.

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Ronald van der Leeden  
Director – Regulatory Affairs

Attachments

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER SUBMITTAL SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SOUTHERN CALIFORNIA GAS COMPANY (U 904G)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Ray B. Ortiz

Phone #: (213) 244-3837

E-mail: [ROrtiz@semprautilities.com](mailto:ROrtiz@semprautilities.com)

### EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Submitted/ Received Stamp by CPUC)

Advice Letter (AL) #: 5312

Subject of AL: May 2018 Standby Procurement Charges

Keywords (choose from CPUC listing): Preliminary Statement; Standby Service; Procurement

AL type:  Monthly  Quarterly  Annual  One-Time  Other

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

G-3316

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: N/A

Does AL request confidential treatment? If so, provide explanation: No

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: 6/21/18

No. of tariff sheets: 4

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Preliminary Statement, Part II; Schedule G-IMB; and TOCs

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: 5296 and 5301

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

[EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Southern California Gas Company

Attention: Ray B. Ortiz

555 West 5<sup>th</sup> Street, GT14D6

Los Angeles, CA 90013-1011

[ROrtiz@semprautilities.com](mailto:ROrtiz@semprautilities.com)

[Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

<sup>1</sup> Discuss in AL if more space is needed.

ATTACHMENT A  
Advice No. 5312

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 55250-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 55227-G
Revised 55251-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 55166-G
Revised 55252-G	TABLE OF CONTENTS	Revised 55241-G
Revised 55253-G	TABLE OF CONTENTS	Revised 55242-G

PRELIMINARY STATEMENT  
 PART II  
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

WHOLESALE (Continued)

Schedule GT-TLS (ECOGAS)

GT-12CA, Class-Average Volumetric Rate Option	
Volumetric Charge .....	1.924¢
GT-12RS, Reservation Rate Option	
Reservation Rate, per therm per day .....	0.611¢
Usage Charge, per therm .....	0.978¢
Volumetric Transportation Charge for Non-Bypass Customers .....	2.213¢
Volumetric Transportation Charge for Bypass Customers .....	2.598¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm .....	29.770¢
Non-Residential Cross-Over Rate, per therm .....	29.770¢
Residential Core Procurement Charge, per therm .....	29.770¢
Residential Cross-Over Rate, per therm .....	29.770¢
Adjusted Core Procurement Charge, per therm .....	29.562¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
March 2018 .....	44.758¢
April 2018 .....	37.191¢
May 2018 .....	41.278¢
Noncore Retail Standby (SP-NR)	
March 2018 .....	44.816¢
April 2018 .....	37.249¢
May 2018 .....	41.336¢
Wholesale Standby (SP-W)	
March 2018 .....	44.816¢
April 2018 .....	37.249¢
May 2018 .....	41.336¢

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(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5312  
 DECISION NO.

ISSUED BY  
**Dan Skopec**  
 Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED Jun 21, 2018  
 EFFECTIVE Jun 21, 2018  
 RESOLUTION NO. G-3316

Schedule No. G-IMB  
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 8 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.208¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "Natural Gas Intelligence's (NGI's) Daily Gas Price Index – Southern California Border Average" and "SNL Energy's Daily Indices – SoCal Border."

Core Retail Service:

SP-CR Standby Rate, per therm

March 2018 .....	44.758¢
April 2018 .....	37.191¢
May 2018 .....	41.278¢

Noncore Retail Service:

SP-NR Standby Rate, per therm

March 2018 .....	44.816¢
April 2018 .....	37.249¢
May 2018 .....	41.336¢

Wholesale Service:

SP-W Standby Rate per therm

March 2018 .....	44.816¢
April 2018 .....	37.249¢
May 2018 .....	41.336¢

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TABLE OF CONTENTS

(Continued)

G-AMOP	Residential Advanced Meter Opt-Out Program .....	51577-G,51578-G
G-CP	Core Procurement Service .....	47480-G,55238-G,55239-G,55191-G,37933-G
GT-NC	Intrastate Transportation Service for Distribution Level Customers .....	54591-G,54592-G,53322-G,53323-G,53324-G 53325-G,53326-G
GT-TLS	Intrastate Transportation Service for Transmission Level Customers .....	53327-G,54593-G,54594-G,54595-G,54596-G 53331-G,53332-G,53333-G,53334-G,53335-G 53336-G,53337-G,53338-G
GT-SWGX	Wholesale Natural Gas Service .....	53899-G,45341-G
G-IMB	Transportation Imbalance Service .....	52891-G,55251-G,55167-G,54239-G 53788-G,54511-G,55073-G
G-OSD	Off-System Delivery Service .....	47345-G*,47346-G,53183-G,47348-G
G-BTS	Backbone Transportation Service .....	48084-G,47349-G,54597-G,54849-G 47176-G,49399-G,47178-G,47179-G,53466-G,53467-G 53468-G,53469-G,53470-G,47185-G,50484-G,50485-G,50486-G
G-POOL	Pooling Service .....	47188-G,47189-G,42278-G
G-BSS	Basic Storage Service .....	43337-G,54753-G,45767-G,45768-G 45769-G,45770-G
G-AUC	Auction Storage Service .....	43338-G,32709-G,32710-G,32711-G 32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service .....	32716-G,32717-G,54754-G,45771-G 45772-G,45773-G
G-TBS	Transaction Based Storage Service .....	45355-G,43340-G,54755-G,45775-G 52897-G,52898-G
G-CBS	UDC Consolidated Billing Service .....	51155-G,54820-G,34073-G,54821-G
G-SMT	Secondary Market Transactions of Storage Rights .....	45359-G,50343-G,45361-G
G-TCA	Transportation Charge Adjustment .....	54598-G
G-CCC	Greenhouse Gas California Climate Credit .....	52092-G
GO-BCUS	Biogas Conditioning/Upgrade Services .....	51156-G,51157-G,51158-G,51159-G 51160-G,51161-G,54919-G,54920-G,54921-G

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TABLE OF CONTENTS

The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

GENERAL

Cal. P.U.C. Sheet No.

Title Page .....	40864-G
Table of Contents--General and Preliminary Statement .....	55253-G,54637-G,54888-G,55223-G
Table of Contents--Service Area Maps and Descriptions .....	53356-G
Table of Contents--Rate Schedules .....	55240-G,55252-G,55203-G
Table of Contents--List of Cities and Communities Served .....	54790-G
Table of Contents--List of Contracts and Deviations .....	54790-G
Table of Contents--Rules .....	54744-G,55221-G
Table of Contents--Sample Forms .....	54967-G,54383-G,51537-G,54745-G,54746-G,52292-G

PRELIMINARY STATEMENT

Part I General Service Information .....	45597-G,24332-G,54726-G,24334-G,48970-G
Part II Summary of Rates and Charges .....	55224-G,55225-G,55226-G,54569-G,54570-G,55250-G 55165-G,46431-G,46432-G,54550-G,55174-G,55175-G,55176-G,54575-G
Part III Cost Allocation and Revenue Requirement .....	54576-G,50447-G,53583-G
Part IV Income Tax Component of Contributions and Advances .....	52273-G,24354-G
Part V Balancing Accounts	
Description and Listing of Balancing Accounts .....	52939-G,54130-G
Purchased Gas Account (PGA) .....	52769-G,53254-G
Core Fixed Cost Account (CFCA) .....	53433-G,53434-G,54507-G,53436-G
Noncore Fixed Cost Account (NFCA) .....	53255-G,54508-G,54509-G
Enhanced Oil Recovery Account (EORA) .....	49712-G
Noncore Storage Balancing Account (NSBA) .....	52886-G,52887-G
California Alternate Rates for Energy Account (CAREA) .....	45882-G,45883-G
Hazardous Substance Cost Recovery Account (HSCRA) .....	40875-G, 40876-G,40877-G
Gas Cost Rewards and Penalties Account (GCRPA) .....	40881-G
Pension Balancing Account (PBA) .....	54544-G,52941-G
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) ..	54545-G,52943-G
Research Development and Demonstration Surcharge Account (RDDGSA).....	40888-G
Demand Side Management Balancing Account (DSMBA).....	45194-G,41153-G
Direct Assistance Program Balancing Account (DAPBA) .....	52583-G,52584-G
Integrated Transmission Balancing Account (ITBA) .....	49313-G

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**ATTACHMENT B**

**ADVICE NO. 5312**

**RATE CALCULATION WORK PAPER  
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING  
EFFECTIVE MAY 2018**

**G-IMB Standby Procurement Charge Calculation**

The highest daily border price index is an average of the highest prices from  
“NGI’s Daily Gas Price Index - Southern California Border Average”  
and “SNL Energy Daily Indices - SoCal Border.”

The highest daily border price index for the period was on June 12, 2018

**06/12/18 NGI’s Daily Gas Price Index (NDGPI) = \$0.27000 per therm**

**06/12/18 SNL Energy Daily Indices (SNLDI) = \$0.27760 per therm**

**Highest Daily Border Price Index (HDBPI) = (NDGPI + SNLDI) / 2**

**HDBPI = \$0.27380 per therm**

**SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee**

**SP-CR = 150% x \$0.27380 + \$0.00208 = \$0.41278**

**SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee**

**SP-NR = 150% x \$0.27380 + \$0.00266 = \$0.41336**

**SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee**

**SP-W = 150% x \$0.27380 + \$0.00266 = \$0.41336**